



Natural Resources Appropriations Subcommittee

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Responsibilities

The Division of Oil, Gas and Mining regulates and ensures industry compliance and site restoration while facilitating oil, gas and mining activities.



Minerals



- Verify mine plans are followed and reclamation standards are achieved after mining
- Protect public safety and the environment
- Over 200 different minerals mined in Utah, including copper, magnesium, gold, beryllium, potash, salt and gilsonite

Coal



- Staff provide permits, complete inspections, confirm rule compliance, oversee reclamation and bond releases
- One surface and five underground mines in Utah
- Produced 12.5 million short tons of coal valued at \$430M in 2021

Oil and Gas



- Approximately 6,000 wells to inspect annually
- Issue oil and gas development permits, site inspections, respond to spills and enforce rules
- Manage shut-in and orphan well programs

Abandoned Mine Reclamation



- Estimated 17,000 mine openings statewide
- Protect public from dangers of old mines by sealing off access and cleaning up waste
- In 1975, the Utah Mined Reclamation Act was passed making it illegal for mines to be abandoned

Expenditures

- Additional Attorney General Full-Time Position
 - Addressed two high profile and controversial mining issues
 - Increased number of legal matters presented to the OGM Board
- OGM Process Improvements
 - Hired four new oil and gas employees
 - Workflow improvements for inspections, compliance, idle and orphan wells
- Targeted positions funding received in FY'23 impacting 26 employees
- Provided adjusted salary increases (ASI) to 16 additional employees

2022 Division Highlights

Minerals Program

- High profile permitting issues: Tree Farm/Granite and Point of the Mountain
 - Managed numerous public comments
 - Held informal hearings
 - Working to clarify permit process rules



2022 Division Highlights



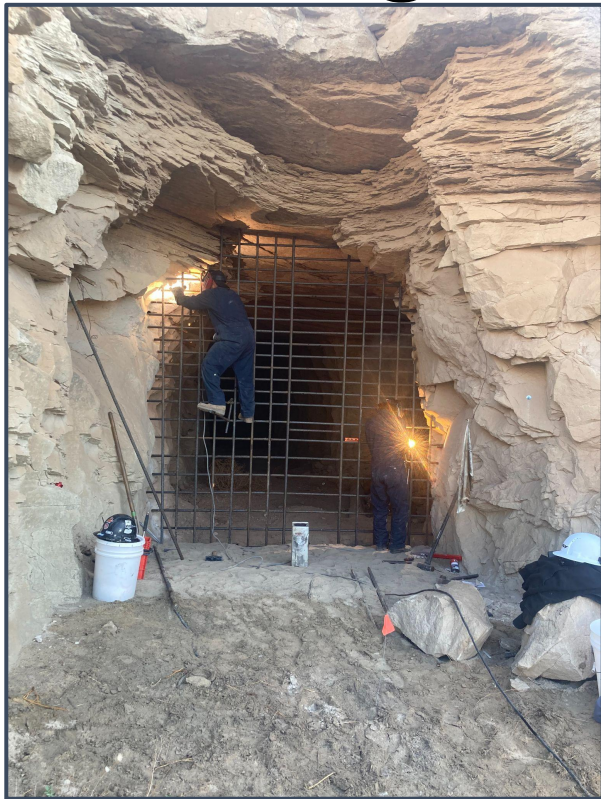
Coal/Minerals/Abandoned Mine Programs

- Upgraded databases and task tracking systems

Oil and Gas Program

- All-time high inspections completed
 - Increased number of field inspectors
 - Investments in data enhancement
 - Excellent teamwork

Challenges



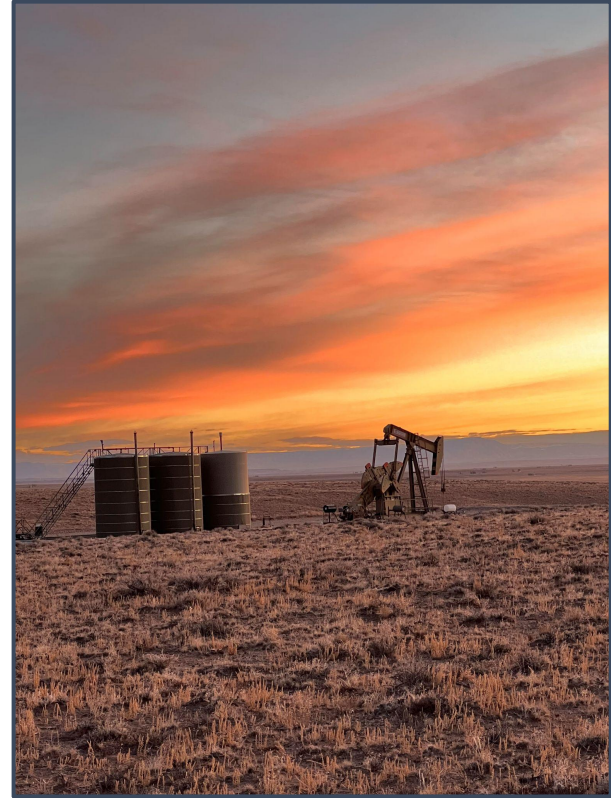
- Employee recruitment
 - SLC high cost of living
 - Higher wages in private sector
- Turnover = loss of institutional knowledge
- Tasked with implementing carbon sequestration program without support of ongoing funds

Building Block Requests

- Additional vehicles for oil and gas field staff
 - Six field based staff share five vehicles; two additional positions being filled
- Data management – all programs
 - Complete move from outdated database to modern technology with dashboards and tracking systems
 - Improve website applications
- Carbon Sequestration Program
 - Ongoing program funds to establish primacy



THANK YOU



DIVISIONS



OFFICES

